

**HAMMOND AREA ECONOMIC AND INDUSTRIAL DEVELOPMENT DISTRICT
HAMMOND, LOUISIANA**

**REPORT ON COMPILATION OF
BASIC FINANCIAL STATEMENTS**

AS OF AND FOR THE YEAR ENDED JUNE 30, 2012

Hammond Area Economic and Industrial Development District
Hammond, Louisiana
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For the Year Ended June 30, 2012

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Durnin & James

CERTIFIED PUBLIC ACCOUNTANTS
A PROFESSIONAL CORPORATION
www.djcpa.com

John N. Durnin, CPA
Dennis E. James, CPA
Lyle E. Lambert, CPA

Paul M. Riggs, Jr., CPA
Robert W. Thompson, CPA

Member
American Institute of CPAs
Society of Louisiana CPAs

July 26, 2012

Accountant's Compilation Report

Mr. Robby Miller, President and
Members of the Board of Directors
Hammond Area Economic and Industrial Development District
Hammond, Louisiana

We have compiled the accompanying financial statements of the governmental activities and the general fund of the Hammond Area Economic and Industrial Development District, Hammond, Louisiana, as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Hammond Area Economic and Industrial Development District is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The budgetary comparison information on page 10 is presented for purposes of additional analysis. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and accordingly, we do not express an opinion or provide any assurance on such supplementary information.

Management has omitted the management's discussion and analysis information that is required to be presented for purposes of additional analysis. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We are not independent with respect to the Hammond Area Economic and Industrial Development District.

Respectfully submitted,

Durnin & James, CPAs

Durnin & James, CPAs
(A Professional Corporation)

Basic Financial Statements

Hammond Area Economic and Industrial Development District
Hammond, Louisiana
Statement of Net Assets
June 30, 2012

Exhibit A

Assets

Cash and Cash Equivalents	\$ 780,233
Certificate of Deposit	52,196
Capital Assets, Net of Depreciation	<u>545,424</u>
Total Assets	<u>\$ 1,377,853</u>

Liabilities

Accounts Payable	<u>\$ 580</u>
Total Liabilities	<u>\$ 580</u>

Net Assets

Invested in Capital Assets, Net of Related Debt	\$ 545,424
Unrestricted	<u>831,849</u>
Total Net Assets	<u>\$ 1,377,273</u>

See accountant's compilation report.

Hammond Area Economic and Industrial Development DistrictExhibit B**Hammond, Louisiana****Statement of Activities**

For the Year Ended June 30, 2012

		Program Revenues	Net Revenue (Expense) and Changes in Net Assets
	Expenses	Operating Grants	Governmental Activities
Governmental Activities:			
General Expenditures	\$ 98,110	\$ 1,945	\$ (96,165)
Depreciation Expense	300	-	(300)
Total Governmental Activities	<u>\$ 98,410</u>	<u>\$ 1,945</u>	<u>(96,465)</u>
General Revenues:			
Interest Income			2,540
Other Income			245
Total General Revenues			<u>2,785</u>
Change in Net Assets			(93,680)
Net Assets - Beginning of the Year			<u>1,470,953</u>
Net Assets - End of the Year			<u>\$ 1,377,273</u>

See accountant's compilation report.

Hammond Area Economic and Industrial Development DistrictExhibit C**Hammond, Louisiana****Governmental Fund – Balance Sheet**

June 30, 2012

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 780,233
Certificate of Deposit	<u>52,196</u>
Total Assets	<u>\$ 832,429</u>
Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	<u>\$ 580</u>
Total Liabilities	580
Fund Balance:	
Unreserved, Undesignated	<u>831,849</u>
Total Fund Balance	<u>831,849</u>
Total Liabilities and Fund Balance	<u>\$ 832,429</u>

See accountant's compilation report.

Hammond Area Economic and Industrial Development District

Exhibit D

Hammond, Louisiana

Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Assets
For the Year Ended June 30, 2012

Total Fund Balances, Governmental Funds (Exhibit C)	\$	831,849
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Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation		<u>545,424</u>
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Net Assets of Governmental Activities (Exhibit A)	\$	<u>1,377,273</u>
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See accountant's compilation report.

Hammond Area Economic and Industrial Development DistrictExhibit E**Hammond, Louisiana****Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance****For the Year Ended June 30, 2012**

	<u>General Fund</u>
Revenues:	
Grant Income	\$ 1,945
Interest Income	2,540
Other Income	<u>245</u>
Total Revenues	4,730
Expenditures:	
General Expenditures	
Accounting & Auditing Fees	2,043
Advertising & Promotion	7,280
Cooperative Endeavor Agreement	11,250
Dues & Subscriptions	534
Grant to HIDB	60,000
Insurance	2,032
Legal Fees	4,118
Miscellaneous Expenses	2,340
Office Supplies	453
SLU Contract	5,066
Travel, Education, & Training	2,994
Capital Outlay	<u>-</u>
Total Expenditures	<u>98,110</u>
Excess of Revenues over Expenditures	(93,380)
Net Assets - Beginning of the Year	<u>925,229</u>
Net Assets - End of the Year	<u><u>\$ 831,849</u></u>

See accountant's compilation report.

Hammond Area Economic and Industrial Development District

Exhibit F

Hammond, Louisiana

**Reconciliation of the Statement of Governmental Fund Revenues, Expenditures, and
Changes in Fund Balance to the Government-Wide Statement of Activities
For the Year Ended June 30, 2012**

Net Change in Fund Balances, Governmental Funds (Exhibit E)	\$	(93,380)
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay	-
Depreciation Expense	<u>(300)</u>

Change in Net Assets of Governmental Activities (Exhibit B)	\$	<u>(93,680)</u>
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See accountant's compilation report.

Hammond Area Economic and Industrial Development District
Hammond, Louisiana
 Budgetary Comparison Schedule (Non-GAAP Basis) – General Fund
 For the Year Ended June 30, 2012

Exhibit G

	Original Budget	Final Budget	Actual Amounts - Cash Basis	Variance with Final Budget
Revenues:				
Grant Income	-	1,150	1,945	795
Interest Income	4,000	3,000	2,540	(460)
Land Sales	1,800,000	-	-	-
Other Income	2,000	500	245	(255)
Total Revenues	1,806,000	4,650	4,730	80
Expenditures:				
General Expenditures				
Accounting & Auditing Fees	20,000	5,000	1,968	3,032
Advertising & Promotion	16,250	16,250	7,264	8,986
Cooperative Endeavor Agreement	-	-	11,250	(11,250)
Dues & Subscriptions	500	600	534	66
Grant to HIDB	60,000	60,000	60,000	-
Insurance	3,000	3,000	2,032	968
Legal Fees	20,000	5,000	3,721	1,279
Miscellaneous Expenses	1,000	2,400	2,340	60
Office Supplies	1,000	600	453	147
Printing & Reproduction	2,500	2,500	-	2,500
SLU Contract	6,000	6,000	5,222	778
Travel, Education, & Training	5,000	4,000	3,159	841
Capital Outlay	-	-	-	-
Total Expenditures	135,250	105,350	97,943	7,407
Excess of Revenues over Expenditures	1,670,750	(100,700)	(93,213)	7,487
Cash - Beginning of the Year	922,588	874,039	874,039	-
Cash - End of the Year	<u>\$ 2,593,338</u>	<u>\$ 773,339</u>	<u>\$ 780,826</u>	<u>\$ 7,487</u>

See accountant's compilation report.